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RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUEHBS/USEU BRUSSELS PRIORITY

C O N F I D E N T I A L JERUSALEM 001372

STPDTS

SIPDIS

NEA FOR FRONT OFFICE; NEA/IPA FOR WILLIAMS/SHAMPAINE/BELGRADE; NSC FOR ABRAMS/WATERS; TREASURY FOR SZUBIN/LOEFFLER/NUGENT/HIRSON

E.O. 12958: DECL: 07/02/2017
TAGS: ECON EFIN KFTN KWBG IS
SUBJECT: CLEARANCE REVENUE TRANSFERS AND CASH SHIPMENTS TO
GAZA RESUME

REF: JERUSALEM 1346

Classified By: Consul General Jake Walles, Reasons 1.4 (b) and (d).

- 11. (C) PA Ministry of Finance Director General of Customs Hatem Yousef confirmed to Econoff July 2 that the GOI had transferred July 1 NIS 500 million (USD 118 million) in clearance revenues to the PA. Yousef said that this amount will be sufficient to pay PA employees their full salaries for June. He noted that the PA is still revising its list of employees, deleting the names of those hired after December 31, 2005, so as to avoid paying Hamas appointees. Salary payments may begin as early as July 3, according to Yousef.
- ¶2. (C) Arab Bank Regional Director Mazen Abu Hamdan told Econoff July 2 that cash shipments to Gaza from Israeli banks resumed July 1 with the delivery of NIS 100 million through the Erez crossing. Abu Hamdan said that this shipment, combined with another shipment of NIS 100 million scheduled on July 2, will provide Gaza banks with sufficient funds to pay PA salaries in Gaza for June. Bank of Palestine Regional Director Hani Naser and Palestine Monetary Authority (PMA) Deputy Governor Jihad Wazir, however, initially reported that the July 2 shipment had been blocked at Erez for most of the day, but Naser later confirmed that cash bound for the Bank of Palestine and other banks in Gaza had successfully transited the crossing.

WALLES